



July 2007

#### Calendar of Events

##### [REDCo Board Meeting](#)

**Monday -**

July 16, 2007 11:30am  
The El Paso Club

##### [Quarterly Investor Meeting](#)

**Wednesday -**

July 25, 2007 4:00pm  
Chase Building  
6th Floor  
Conference Room

##### [REDCo Advisory Team Meeting](#)

**Thursday -**

August 2, 2007  
11:30am  
PDN Conference Room  
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#### Quick Links

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## A Message from REDCo President, Bob Cook

### Listening to Site Consultants

I recently returned from the semi-annual forum of site consultants—which has become a semi-annual sanity check for me to ensure that REDCo is focused on the right opportunities and that we are also staying relevant with our business recruitment methods. It was a great lineup, featuring consultants from Ernst & Young, IBM, Deloitte, McCallum-Sweeney, Cushman & Wakefield, CB Richard Ellis, Location Advisory Services, Fluor and others. I was one of only about 70 economic developers in attendance and I am sure the presentations spoke to each of us in different ways. In this message, I have tried to reduce 16 pages of notes to less than 700 words which highlight a few of the more significant themes that left an impression on me.

### Chinese Opportunity:

- Several consultants stressed that Chinese will continue to have increasing interest in making investments on U.S. soil and that this can be a significant job generator for local economies. Chinese government is encouraging private businesses to invest off-shore, and their “11<sup>th</sup> Five-Year Plan” targets \$60 billion in additional overseas direct investment between 2006 and 2010.
- The most often repeated potential Chinese targets included: Automotive, Computer & Telecommunications, Pharmaceuticals, Electrical/Electronic Equipment, R&D for consumer products (Chinese companies are trying to develop products to meet U.S. consumer preferences and they want to conduct this R&D on U.S. soil.).
- Consultants shared numerous best practices regarding how a community can gain the attention of Chinese companies through marketing and relationship building.

### Collaborative Economic Development:

- I was struck by the number of consultants who stressed this theme in their presentations. Several affirmed that the role of economic development organizations (EDO's) is dramatically changing and that EDO's like REDCo must be driving a model of collaboration with key stakeholders in the community. Economic development programs that place a premium on innovation and collaboration which is focused on providing clients with access to intellectual and financial capital will distinguish themselves. Several stressed the need for EDO's assist their clients with joint-venture creation and facilitating relationships with existing companies, suppliers, customers, universities, and more. Projects which locate in our community based on these factors will be much less sensitive to pressures of globalization.
- Jobs and capital are not mindful of borders, so we need to continue to think and collaborate regionally.

### Marketing/Branding:

- Competition for “mind share” from global business decision-makers is fierce and growing. EDO's have to possess an in-depth understanding of the “knowledge

economy” and build a brand platform based on differentiating the community/region from the competition.

- EDO’s have to know their community/region’s competitive position, and staff members need to possess in-depth knowledge of their target industries. (I believe that REDCO does this well, and we’re getting better all the time.)

### **Community Attitude /Perception:**

This was a theme that was stressed by almost every presenter, and it was striking how often a community’s mindset was mentioned as a key differentiator in dozens of case studies that were presented at the conference. Corporate decision making time frames are becoming so compressed, the companies are increasingly trying to assess attitude as an indicator of whether or not the community will be committed to helping the company meet project deadlines and overcome challenges. A company’s perception of our community and its leadership can eliminate us from consideration.

The consultants’ comments included several tidbits that any successful community would want to emulate

- Cooperative, positive, enthused and sincere elected leadership.
- Be “solutions-oriented”, displaying an approach that says “we’ll find a way”.
- Exhibit tireless momentum to overcome obstacles.

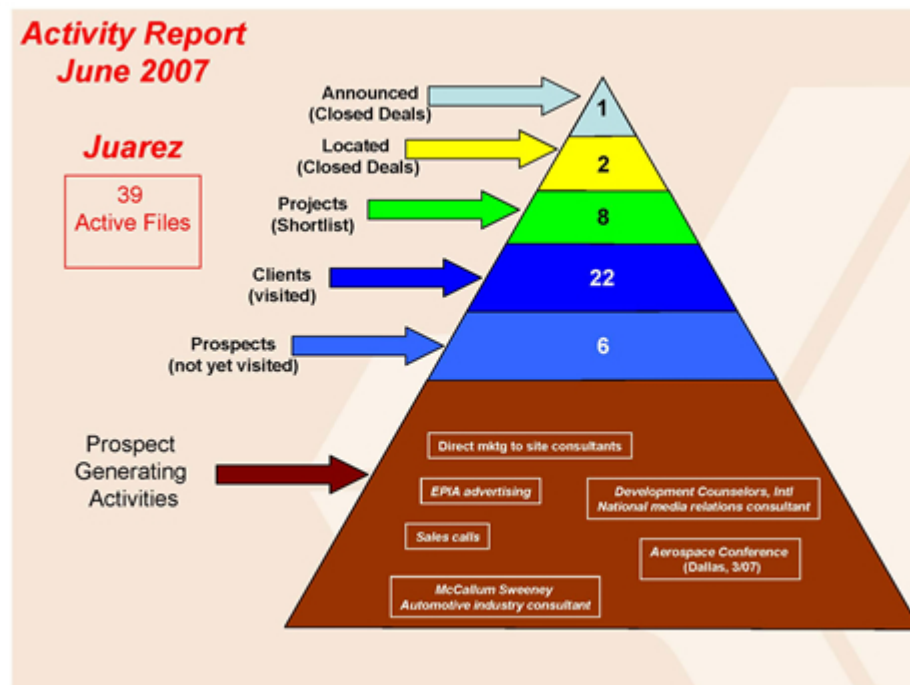
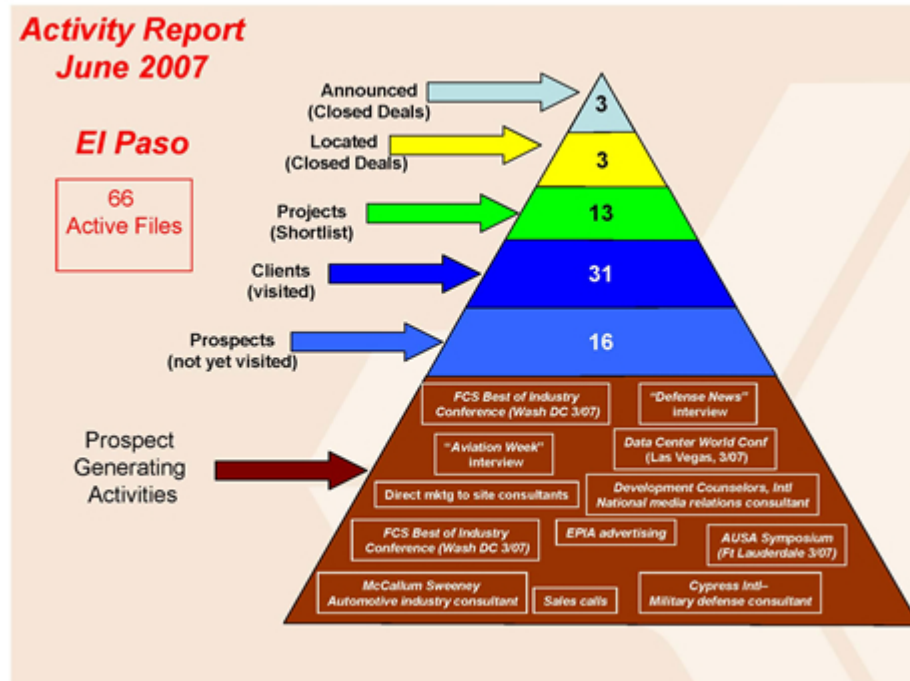
### **Emerging Issues**

Lastly, I drew some random thoughts from the various presentations.

- Developing more engineering talent is a means to create competitive advantage in our community.
- One consultant revealed a trend that companies will begin to seek even greater geographical distance between their data centers and disaster recovery facilities. This will only strengthen El Paso’s position.
- Unknowns are negatives. We should work proactively to achieve “cost certainty” by stabilizing fees and taxes and by quantifying regulatory costs and permitting timeframes.
- One consultant emphatically stated to all of us... “Re-develop your downtowns!”
- Risk minimization is an important issue to global corporations. We can clearly demonstrate how our location mitigates against various types of risk.
- Energy security issues (“carbon constraints”) are an emerging consideration.

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### **June Activity Reports**



To view downloadable versions of the June Activity Reports, [click here for El Paso](#) and [click here for Juarez](#).

**Upcoming Quarterly Investor Meeting**

The Quarterly Investor Briefing scheduled for next Wednesday, July 18th has been

**RESCHEDULED** for Wednesday, July 25th at 4:00pm at the Chase Building in the 6th Floor Conference Room. For those of you who attended the April Investor Briefing, this is the same space we used at that time. A special presentation on our automotive strategy will be made by Ed McCallum, Senior Principal, McCallum Sweeney Consulting. Please R.S.V.P. to Denise at 534-0523 or [djuarez@elpasoredco.org](mailto:djuarez@elpasoredco.org) by Monday, July 23<sup>rd</sup>.

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